



3015 (02-02-05)

ANNUAL REPORT

OF

Name: CLAYTON MUNICIPAL WATER UTILITY

Principal Office: P.O. BOX 63
CLAYTON, WI 54004

For the Year Ended: DECEMBER 31, 2004

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CLAYTON MUNICIPAL WATER UTILITY

Utility Address: P.O. BOX 63
CLAYTON, WI 54004

When was utility organized? 1/1/1930

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR WILLIAM J. OLSON JR

Title: CLERK-TREASURER

Office Address:

P.O. BOX 63
CLAYTON, WI 54004

Telephone: (715) 948 - 2460

Fax Number: (715) 948 - 4260

E-mail Address: vclayton@amerytel.net

Individual or firm, if other than utility employee, preparing this report:

Name: KRISTI ZARINS, CPA

Title: SENIOR ACCOUNTANT

Office Address: VIRCHOW KRAUSE AND COMPANY

P.O. BOX 1148
EAU CLAIRE, WI 54702

Telephone: (715) 833 - 1717 EXT 12

Fax Number: (715) 836 - 7877

E-mail Address: kzarins@virchowkrause.com

President, chairman, or head of utility commission/board or committee:

Name: MR. DOUGLAS PLAHN

Title: PRESIDENT

Office Address:

P.O. BOX 63
CLAYTON, WI 54004

Telephone: (715) 948 - 2460

Fax Number: (715) 948 - 4260

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:**

Office Address: VIRCHOW KRAUSE AND COMPANY
P.O. BOX 1148
EAU CLAIRE, WI 54702

Telephone: (715) 831 - 1717**Fax Number:** (715) 836 - 7877**E-mail Address:****Date of most recent audit report:** 3/4/2004**Period covered by most recent audit:** THE YEAR ENDED DECEMBER 31, 2003

Names and titles of utility management including manager or superintendent:

Name: MR. SHELDON DONATH**Title:** WATER SUPERINTENDENT**Office Address:**

P.O. BOX 63
CLAYTON, WI 54004

Telephone: (715) 948 - 2460**Fax Number:** (715) 948 - 4260**E-mail Address:**

Name: MR. SHELDON DONATH**Title:** DIRECTOR OF PUBLIC WORKS**Office Address:**

P.O. BOX 63
CLAYTON, WI 54004

Telephone: (715) 948 - 2460**Fax Number:** (715) 948 - 4260**E-mail Address:**

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

MR ROBERT CARLSON, TRUSTEE
MR SCOTT DONATH, TRUSTEE
MR BOB GALE, TRUSTEE
MR TODD JACKSON, TRUSTEE
MR MARLIN KLATT, TRUSTEE
MR DOUGLAS PLAHN, PRESIDENT

Is sewer service rendered by the utility? NO

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? NO

Date of Ordinance: 

Are any of the utility administrative or operational functions under contract or agreement with an

IDENTIFICATION AND OWNERSHIP

outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

 Firm Name:

Contact Person:

 Title:

 Telephone:

 Fax Number:

 E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	125,137	101,678	1
Operating Expenses:			
Operation and Maintenance Expense (401)	63,967	39,826	2
Depreciation Expense (403)	5,267	5,169	3
Amortization Expense (404)	0	0	4
Taxes (408)	20,612	20,956	5
Total Operating Expenses	89,846	65,951	
Net Operating Income	35,291	35,727	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	35,291	35,727	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	9,438	11,591	9
Miscellaneous Nonoperating Income (421)	192,356	4,070	10
Total Other Income	201,794	15,661	
Total Income	237,085	51,388	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(10,477)	0	11
Other Income Deductions (426)	23,208	22,517	12
Total Miscellaneous Income Deductions	12,731	22,517	
Income Before Interest Charges	224,354	28,871	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	5,436	6,095	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	204	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	5,640	6,095	
Net Income	218,714	22,776	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,113,939	(8,986)	19
Balance Transferred from Income (433)	218,714	22,776	20
Miscellaneous Credits to Surplus (434)	0	1,100,149	21
Miscellaneous Debits to Surplus--Debit (435)	89,458	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	1,243,195	1,113,939	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	125,137		125,137	1
Total (Acct. 400):	125,137	0	125,137	
Operation and Maintenance Expense (401):				
Derived	63,967		63,967	2
Total (Acct. 401):	63,967	0	63,967	
Depreciation Expense (403):				
Derived	5,267		5,267	3
Total (Acct. 403):	5,267	0	5,267	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	20,612		20,612	5
Total (Acct. 408):	20,612	0	20,612	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	35,291	0	35,291	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST INCOME	9,438	0	9,438	10
Total (Acct. 419):	9,438	0	9,438	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		76,396	76,396	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
INSURANCE RECOVERIES	11,133	0	11,133 12
CDBG GRANT		104,827	104,827 13
Total (Acct. 421):	11,133	181,223	192,356
TOTAL OTHER INCOME:	20,571	181,223	201,794

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(10,477)		(10,477) 14
NONE	0	0	0 15
Total (Acct. 425):	(10,477)	0	(10,477)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		23,208	23,208 16
NONE	0	0	0 17
Total (Acct. 426):	0	23,208	23,208
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(10,477)	23,208	12,731

INTEREST CHARGES

Interest on Long-Term Debt (427):			
Derived	5,436		5,436 18
Total (Acct. 427):	5,436	0	5,436
Amortization of Debt Discount and Expense (428):			
NONE	0		0 19
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 20
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0		0 21
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	204		204 22
Total (Acct. 431):	204	0	204

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 23
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	5,640	0	5,640
NET INCOME:	60,699	158,015	218,714
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	32,237	1,081,702	1,113,939 24
Total (Acct. 216):	32,237	1,081,702	1,113,939
Balance Transferred from Income (433):			
Derived	60,699	158,015	218,714 25
Total (Acct. 433):	60,699	158,015	218,714
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 26
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
ADJUSTMENT FOR HOOK-UP DEPOSITS	15,802	0	15,802 27
TRANSFER OUT	73,656	0	73,656 28
Total (Acct. 435)--Debit:	89,458	0	89,458
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 29
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	3,478	1,239,717	1,243,195

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	125,137	0	0	0	125,137	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	6,814				6,814	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	118,323	0	0	0	118,323	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,621,781	1,512,322	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	369,089	550,524	2
Net Utility Plant	1,252,692	961,798	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	124,328	132,273	6
Special Funds (125)	0	0	7
Total Other Property and Investments	124,328	132,273	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	98,127	88,002	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	20,739	13,122	11
Other Accounts Receivable (143)	9,356	2,501	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	6,814	13
Receivables from Municipality (145)	89,808	76,628	14
Materials and Supplies (150)	2,044	2,125	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	220,074	175,564	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	1,597,094	1,269,635	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	42,609	42,609	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	1,243,195	1,113,939	23
Total Proprietary Capital	1,285,804	1,156,548	
LONG-TERM DEBT			
Bonds (221)	100,686	111,182	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	100,686	111,182	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	2,546		28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)	7,269		30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	1,725	1,905	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	11,540	1,905	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	199,064	0	36
Total Deferred Credits	199,064	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	1,597,094	1,269,635	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	1,512,322	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	208,613	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,413,168	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	1,621,781	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	113,823	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	255,266	0	0	0	12
Total Accumulated Provision	369,089	0	0	0	
Net Utility Plant	1,252,692	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	318,466				318,466	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	5,267				5,267	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,197				1,197	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	6,464	0	0	0	6,464	16
Debits during year						17
Book cost of plant retired	1,566				1,566	18
Cost of removal					0	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-105	209,541				209,541	21
					0	22
					0	23
					0	24
Total debits	211,107	0	0	0	211,107	25
Balance end of year (110.1)	113,823	0	0	0	113,823	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	232,058				232,058	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	23,208				23,208	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	23,208	0	0	0	23,208	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	255,266	0	0	0	255,266	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	6,814	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	0	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others	6,814	6
Total accounts written off	6,814	
Balance end of year	0	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	2,044	2,125	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	2,044	2,125	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	42,609	1
Changes during year (explain):		
NONE		2
Balance end of year	42,609	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
SPECIAL ASSESSMENT B-BONDS	01/01/1994	04/01/2034	5.00%	100,686	1
Total Bonds (Account 221):				100,686	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Notes Payable (231)					
SHORT TERM NOTE PAYABLE	09/09/2004	11/09/2004	3.25%	0	1
Total for Account 231				0	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	20,613	2
Charged electric department expense		3
Charged sewer department expense	327	4
Other (explain):		
NONE		5
Total Accruals and other credits	20,940	
Taxes paid during year:		
County, state and local taxes	19,967	6
Social Security taxes	839	7
PSC Remainder Assessment	134	8
Other (explain):		
NONE		9
Total payments and other debits	20,940	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
SPECIAL ASSESSMENT B-BONDS	1,905	5,436	5,616	1,725	1
Subtotal	1,905	5,436	5,616	1,725	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
SHORT TERM NOTE PAYABLE	0	204	204	0	4
Subtotal	0	204	204	0	
Total	1,905	5,640	5,820	1,725	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE	124,328	2
Total (Acct. 124):	124,328	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	20,739	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	20,739	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
DUE FROM OTHER GOVERNMENTS	9,356	11
Total (Acct. 143):	9,356	
Receivables from Municipality (145):		
DUE FROM MUNICIPALITY	39,707	12
ADVANCES TO OTHER FUNDS	50,101	13
Total (Acct. 145):	89,808	
Prepayments (165):		
NONE		14
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		16
Total (Acct. 183):	0	
Payables to Municipality (233):		
NONE		17
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	199,064	18
NONE		19
Total (Acct. 253):	199,064	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	205,622	0	0	0	205,622	1
Materials and Supplies	2,084	0	0	0	2,084	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	216,144	0	0	0	216,144	4
Customer Advances for Construction					0	5
Regulatory Liability	99,532	0	0	0	99,532	6
NONE					0	7
Average Net Rate Base	(107,970)	0	0	0	(107,970)	
Net Operating Income	35,291	0	0	0	35,291	8
Net Operating Income as a percent of						
Average Net Rate Base	N/A	N/A	N/A	N/A	N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	0.3	1
Electric		2
Gas		3
Sewer		4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year					0	1
Add credits during year:						
Establish Regulatory Liability 1/1/04	209,541	0	0	0	209,541	2
Other (specify): NONE					0	3
Deduct charges:						
Miscellaneous Amortization (425)	10,477				10,477	4
Other (specify): NONE					0	5
Balance End of Year	199,064	0	0	0	199,064	

FINANCIAL SECTION FOOTNOTES

Interest Accrued (Acct. 237) (Page F-17)

If Interest Accrued During Year (for other than Bonds (221)) is non-zero AND the Notes Payable and Miscellaneous Long-Term Debt schedule shows a Principal Amount EOY of zero or less, please explain.

The note payable was a short term note. The entire amount was borrowed during 2004 and paid off in 2004. Therefore the amount of interest accrued is equal to the amount paid and the note payable had a zero balance at year end.

Balance Sheet End-of-Year Account Balances (Page F-18)

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Advances to other funds of \$36,202 consists of the difference between the property tax equivalent and the hydrant rental charge. This difference has been accumulating in this account.

Due from municipality of \$30,427 is an accumulation of amounts that were paid for by the water utility on behalf of other funds.

Due from other governments of \$9,356 consists of \$2,296 of delinquent utilities collectible from the county, and \$7,060 of CDBG grant receivable.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

To the Village Board
Village of Clayton
Clayton, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balances sheets of the Clayton Water Utility, an enterprise fund of the Village of Clayton, as of December 31, 2004 and 2003, and the related statements of income and retained earnings for the year ended December 31, 2004 in the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and schedules are not designed for those who are not informed about such differences.

VIRCHOW, KRAUSE & COMPANY, LLP

Eau Claire, Wisconsin
February 18, 2005

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	123,892	97,965	1
Total Sales of Water	123,892	97,965	
Other Operating Revenues			
Forfeited Discounts (470)	0	0	2
Other Water Revenues (474)	1,245	3,713	3
Total Other Operating Revenues	1,245	3,713	
Total Operating Revenues	125,137	101,678	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	43,454	21,622	4
General Operating Expenses (680-690)	20,513	18,204	5
Total Operation and Maintenance Expenses	63,967	39,826	
Other Operating Expenses			
Depreciation Expense (403)	5,267	5,169	6
Amortization Expense (404)		0	7
Taxes (408)	20,612	20,956	8
Total Other Operating Expenses	25,879	26,125	
Total Operating Expenses	89,846	65,951	
NET OPERATING INCOME	35,291	35,727	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	233	8,252	38,490	4
Commercial	33	5,598	13,600	5
Industrial	5	24,353	31,411	6
Total Metered Sales to General Customers (461)	271	38,203	83,501	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		36,887	8
Other Sales to Public Authorities (464)	7	840	3,504	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	279	39,043	123,892	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	36,887	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	36,887	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	924	7
Other (specify):		
OTHER MISCELLANEOUS	321	8
Total Other Water Revenues (474)	1,245	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	9,350	8,483	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	4,715	4,417	3
Chemicals (630)	13,837	6,184	4
Supplies and Expenses (640)	2,364	1,296	5
Repairs of Water Plant (650)	13,188	1,242	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	43,454	21,622	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	6,835	8,981	8
Office Supplies and Expenses (681)	1,778	1,959	9
Outside Services Employed (682)	8,213	5,084	10
Insurance Expense (684)	1,710	1,353	11
Employees Pensions and Benefits (686)	962	0	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	1,015	827	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	20,513	18,204	
Total Operation and Maintenance Expenses	63,967	39,826	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		19,967	19,967	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		327	326	2
Net property tax equivalent		19,640	19,641	
Social Security		839	1,225	3
PSC Remainder Assessment		133	90	4
Other (specify): NONE			0	5
Total tax expense		20,612	20,956	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Polk				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.265511				3
County tax rate	mills		5.608369				4
Local tax rate	mills		9.757216				5
School tax rate	mills		13.645653				6
Voc. school tax rate	mills		1.445237				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		30.721986				10
Less: state credit	mills		1.722286				11
Net tax rate	mills		28.999700				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		9.757216				14
Combined School Tax Rate	mills		15.090890				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.848106				17
Total Tax Rate	mills		30.721986				18
Ratio of Local and School Tax to Total	dec.		0.808805				19
Total tax net of state credit	mills		28.999700				20
Net Local and School Tax Rate	mills		23.455112				21
Utility Plant, Jan. 1	\$	1,512,322	1,512,322				22
Materials & Supplies	\$	2,125	2,125				23
Subtotal	\$	1,514,447	1,514,447				24
Less: Plant Outside Limits	\$	701,086	701,086				25
Taxable Assets	\$	813,361	813,361				26
Assessment Ratio	dec.		0.753164				27
Assessed Value	\$	612,594	612,594				28
Net Local & School Rate	mills		23.455112				29
Tax Equiv. Computed for Current Year	\$	14,368	14,368				30
Tax Equivalent per 1994 PSC Report	\$	19,967					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	19,967					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	179		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	33,138		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	33,317	0	
PUMPING PLANT			
Land and Land Rights (320)	450		12
Structures and Improvements (321)	5,273		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	20,185		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	547		20
Total Pumping Plant	26,455	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	2,632		23
Total Water Treatment Plant	2,632	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			179	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			33,138	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	33,317	
PUMPING PLANT				
Land and Land Rights (320)			450	12
Structures and Improvements (321)			5,273	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			20,185	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			547	20
Total Pumping Plant	0	0	26,455	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			2,632	23
Total Water Treatment Plant	0	0	2,632	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	629		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	35,453		26
Transmission and Distribution Mains (343)	43,862	0	27
Fire Mains (344)	0		28
Services (345)	4,968	1,994	29
Meters (346)	17,052	5,553	30
Hydrants (348)	20,161	0	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	122,125	7,547	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	2,426		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	6,350		37
Other General Equipment (379)	9,327		38
Other Tangible Property (390)	0		39
Total General Plant	18,103	0	
Total utility plant in service directly assignable	202,632	7,547	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	202,632	7,547	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			629 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			35,453 26
Transmission and Distribution Mains (343)			43,862 27
Fire Mains (344)			0 28
Services (345)			6,962 29
Meters (346)			22,605 30
Hydrants (348)	1,566		18,595 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	1,566	0	128,106
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			2,426 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			6,350 37
Other General Equipment (379)			9,327 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	18,103
Total utility plant in service directly assignable	1,566	0	208,613
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	1,566	0	208,613

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	167,356		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	167,356	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			167,356	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	167,356	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			0	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	0	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	240,973		26
Transmission and Distribution Mains (343)	638,565	73,504	27
Fire Mains (344)	0		28
Services (345)	154,722	9,172	29
Meters (346)	20,054		30
Hydrants (348)	88,020	20,802	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,142,334	103,478	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	1,309,690	103,478	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,309,690	103,478	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			240,973 26
Transmission and Distribution Mains (343)			712,069 27
Fire Mains (344)			0 28
Services (345)			163,894 29
Meters (346)			20,054 30
Hydrants (348)			108,822 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,245,812
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	1,413,168
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,413,168

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			1,894	1,894	1
February			1,630	1,630	2
March			1,994	1,994	3
April			1,841	1,841	4
May			1,948	1,948	5
June			1,868	1,868	6
July			2,277	2,277	7
August			2,356	2,356	8
September			2,301	2,301	9
October			5,706	5,706	10
November			8,363	8,363	11
December			8,198	8,198	12
Total annual pumpage	0	0	40,376	40,376	
Less: Water sold				39,043	13
Volume pumped but not sold				1,333	14
Volume sold as a percent of volume pumped				97%	15
Volume used for water production, water quality and system maintenance				634	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				634	19
Volume pumped but unaccounted for				699	20
Percent of water lost				2%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				383	23
Date of maximum: 11/9/2004					24
Cause of maximum:					25
Foremost Farms (an industrial customer) is obtaining all of their water supply from the Village.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				0	26
Date of minimum: 7/5/2004					27
Total KWH used for pumping for the year				66,896	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
PRENTICE STREET	#2	191	10	2,276	Yes	1
CLAYTON AVE. W	#3	373	16	63,148	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#2	#3		1
Location	421 PRENTICE STREET S	15 CLAYTON AVE W		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	MCCARTHY	HATACHI		5
Year Installed	1967	2000		6
Type	VERTICAL TURBINE	SUBMERSIBLE		7
Actual Capacity (gpm)	260	560		8
Pump Motor or Standby Engine Mfr	FAIRBANKS	GE		9 10
Year Installed	1967	1990		11
Type	NATURAL GAS	ELECTRIC		12
Horsepower	20	40		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22 23
Year Installed				24
Type				25
Horsepower				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
Year constructed	1990		5
Primary material (earthen, steel, concrete, other)	STEEL		6
Elevation difference in feet (See Headnote 3.)	125		7
Total capacity in gallons (actual)	125,000		8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		10
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		11
Filters, type (gravity, pressure, other, none)	GRAVITY		12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	547.2000		13
Is a corrosion control chemical used (yes, no)?	Y		14
Is water fluoridated (yes, no)?	N		15

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	2.000	480	0	0	0	480	1
M	D	6.000	12,168	90	0	0	12,258	2
M	D	8.000	2,884	1,645	0	0	4,529	3
M	D	10.000	620	0	0	0	620	4
Total Within Municipality			16,152	1,735	0	0	17,887	
P	D	8.000	17,318	0	0	0	17,318	5
Total Outside of Municipality			17,318	0	0	0	17,318	
Total Utility			33,470	1,735	0	0	35,205	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	182	0	0	0	182		1
M	1.000	55	6	0	0	61	0	2
M	1.250	2	0	0	0	2		3
M	1.500	2	0	0	0	2		4
M	2.000	6	0	0	0	6	1	5
M	3.000	11	0	0	0	11		6
M	4.000	1	0	0	0	1		7
M	6.000		1			1		8
Total Utility		259	7	0	0	266	1	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	252	6	0	0	258	21	1
0.750	5	0	0	0	5	0	2
1.000	13	1	0	0	14	3	3
1.250	4	0	0	0	4	0	4
1.500	2	0	0	0	2	0	5
2.000	2	0	0	0	2	1	6
3.000	2	0	0	0	2	1	7
4.000	1	0	0	0	1	0	8
6.000	0	1	0	0	1	0	9
Total:	281	8	0	0	289	26	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	227	19	0	4	0	8	258	1
0.750	0	1	3	0	0	1	5	2
1.000	6	6	2	0	0	0	14	3
1.250	0	4	0	0	0	0	4	4
1.500	0	2	0	0	0	0	2	5
2.000	0	1	0	1	0	0	2	6
3.000	0	0	0	2	0	0	2	7
4.000	0	0	1	0	0	0	1	8
6.000	0	0	1	0	0	0	1	9
Total:	233	33	7	7	0	9	289	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	34				34	1
Within Municipality	35	4	1		38	2
Total Fire Hydrants	69	4	1	0	72	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	72
Number of distribution system valves end of year:	131
Number of distribution valves operated during year:	58

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Repairs of water plant (Account 650) is up from the prior year because the village had extensive damage to one of their wellhouses during 2004 from a car accident.

Chemicals (Account 630) is up from the prior year because Foremost Farms (an industrial customer) began taking their full supply of water from the village during 2004. This required more chemicals because of the larger volume of water being pumped.

Outside Services Employed (Account 682) is up from the prior year because the village received a CDBG grant during the year. The village paid Cedar Corporation to administer this grant and those expenses are included in this account.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Watermain additions were financed as follows: \$12,463 by the village's TIF district, \$51,273 by a CDBG grant and a contribution from Foremost Farms, and \$9,768 by a developer.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

Service additions were financed as follows: \$1,994 by the water utility, \$1,594 by the village's TIF district, \$3,960 by a developer and \$3,618 by customer contributions.

Meters (Page W-19)

General footnotes

The 6 inch meter was just put in during 2004. It will be tested during 2005.

Explain program for replacing or testing meters 1" or smaller.

At this time the Village of Clayton has no written policies on testing of water meters. Meters 1" and larger are sent out to an outside agencies for service and testing. The Village only services and tests the 3/4" and 5/8" meters in house. The Village does this on a time permitting basis or when a meter calls for a repair it will be tested after the repair has been completed, before it is put back in service. The Village hopes in the near future to get a tracking system set up for meter repair and testing.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes.
